



Mary's Meals International Organisation (A company limited by guarantee)
For the year ended 31 December 2021

Trustees' annual report and financial statements

Charity number: SC045223 Company number: SC488380

mary's
meals

a simple solution
to world hunger

20 YEARS OF
FEEDING
CHILDREN

Mary's Meals International Organisation (A company limited by guarantee)

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An important note on organisation names

"Mary's Meals International Organisation" is the legal name for the entity which co-ordinates and leads the global network of Mary's Meals organisations. In practice, this is often referred to simply as Mary's Meals International or MMI.

"Mary's Meals" is the legal name for the entity which raises awareness and funds for the network's programmes in the United Kingdom.

Since the term "Mary's Meals" is reasonably used in practice to refer to the work of the entire Mary's Meals movement around the world, we will – for the purposes of clarity – refer to the UK-focused organisation, in this document, as Mary's Meals UK or MM UK.

Legal and administrative information

Legal and administrative information

Charity number SC045223

Company registration number SC488380

Business address

Craig Lodge
Dalmally
Argyll
Scotland
PA33 1AR

Registered office

Craig Lodge
Dalmally
Argyll
Scotland
PA33 1AR

Trustees

David Clayton
Peter Higgins
Jacob Allen
Dr Željka Markić
Dr Christian Stelzer
Mark McGreevy (resigned 23 March 2021)
Ana Luisa Diez de Rivera-Laffont
Charles McGhee
Bishop John Keenan
Marie Da Silva
John Darley
Sebastian Bailey (appointed 23 March 2021)
Dr Cornelius Chipoma (appointed 23 March 2021)

Secretary

Michael Ferguson

Chief Executive

Magnus MacFarlane-Barrow

Auditor

RSM UK Audit LLP
Third Floor
2 Semple Street
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Bankers

Royal Bank of Scotland plc
88 Main Street
Rutherglen
Glasgow
G73 2JA

Investec Bank plc
30 Gresham Street
London
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Nationwide Building Society
PO Box 3, 5-11 St Georges Street
Douglas, Isle of Man, IM99 1AS



Executive Leadership Team

Magnus MacFarlane-Barrow
Michael Ferguson
Graeme Little
Rhian Cooke (appointed 4 October 2021)
Leah Swindon (appointed 17 January 2022)



Our year in numbers

2,279,941
children fed

Working with communities
to feed children in
20 countries

We welcomed
441,082
children into our
global programmes



Total income of £33.7 million



Actual cost per child:

£14.56

14 affiliate
organisations
growing the global movement

0.55

tonnes of CO₂e per
UK-based MMI employee

Our vision is that every child receives one daily meal in their place of education and that all those who have more than they need, share with those who lack even the most basic things.



Chair's report

As I present the Mary's Meals International Organisation annual report for the year ending 31 December 2021, I would like to again thank the many supporters who make our work possible and all those who are dedicated to leading and serving this important mission to provide children with a daily meal in a place of education.

By the end of 2021, our school feeding programmes – delivered in collaboration with some of the world's poorest communities – were providing life-changing meals to 2,279,941 children in 20 countries every school day. This represents a growth of 24% compared to the start of the year, with 441,082 children being added to the programme through expansions and natural growth during 2021. The milestone of reaching two million children every school day in August was a moment of celebration and a reflection of the continued growth of the organisation.

Total group income in 2021 was £33.7m (2020: £29.0m). Set against the backdrop of the Covid-19 pandemic, this is another incredible result. We have recorded notable achievements in many affiliate countries in terms of fundraising income and I am very pleased to report continued strong signs of diversification as we grow in different geographical locations and reach more people with the simple message of how they can bring hope to hungry children through Mary's Meals. Notable year-on-year increases in income received from National Affiliates include MM UK £1.7m, MM Germany £1.0m, MM USA £0.6m, MM Ireland £0.5m and MM Austria £0.4m. We are delighted to see this international growth in both awareness and fundraising, which offers a promising foundation for the future.

Despite the ongoing exceptional circumstances due to Covid-19, 2021 has been a year of amazing growth in both impact and reach – our dedicated teams and partners have implemented successful expansions to 15 of our existing programmes in 12 countries, as well as into a new country in Yemen – and this is certainly a cause for celebration. Through these expansions, Mary's Meals has continued to grow its programmes in areas where the need is greatest, despite often facing practical and economic challenges in these locations.

Expenditure has increased by £6.5m, not only because of the programmatic achievements during 2021, but also the full-year impact of previous expansions and the promise we are keeping to more than 2.2 million children of a meal every day in a place of education.

Ongoing projects to improve the delivery of our school feeding programmes and ensure all staff are well equipped to support the mission in their various roles are yielding great results in terms of efficiency and cohesion, making sure that the way we do this work remains as important as the end result.

We undertook substantial work to strengthen the whole organisation, continuing to effectively develop our systems, including making progress with our integrated CRM, School Feeding Delivery Model and Integrated Digital Platform projects; and we embarked on innovative, virtual fundraising activities, which successfully grew our global movement.

One of our principal values is the good stewardship of the resources entrusted to us and Mary's Meals has an ongoing commitment to spend at least 93% of donations on charitable activities and to keep running costs low. I am pleased to say that in 2021, MMI continued that commitment, with 99% of expenditure from donations going directly to charitable activities. The global average cost to provide a child with Mary's Meals for a whole school year in 2021 was £14.56 due to the factors described in the Financial Review on page 20.

All over the world, supporters continue to hear about our work and be amazed at the life-changing difference a meal in a place of education makes for the world's poorest children – and at how small the cost is to support hungry children in this way. I offer my heartfelt thanks to all those who serve this mission in whichever way they feel called to: the supporters, volunteers, staff, my fellow trustees and the communities who own, run and champion our school feeding programmes, giving their time and skills to ensure their children can eat nutritious food each day in a place of education, fuelling their ability to learn and nurture dreams for a more prosperous future.

A handwritten signature in black ink that reads "David Clayton". The signature is written in a cursive, flowing style.

David Clayton
Chair



Chief Executive's report

For a second successive year, the impact of the Covid-19 pandemic was felt in almost all areas of our work across every country in which we are present. Once again, though, the resilience of Mary's Meals supporters, volunteers and staff, and their determination to meet the growing needs of the world's poorest children, won out. During repeated large scale school closures, 'home rations' representing the equivalent of a daily school meal were provided to children at home. Surveys and impact assessments demonstrated just how important this provision was to impoverished families. However, great care was taken to ensure that these unprecedented circumstances did not cause us to lose our singular focus on the provision of daily meals in a place of education. As soon as schools began re-opening, we resumed the implementation of our normal model – with volunteers returning to their local schools, to cook and serve the meals to the children of their own communities.

This was also a year marked by several other humanitarian crises. Most notably, the conflict in Tigray, Ethiopia devastated the communities in which we had been serving Mary's Meals since 2017. Schools were closed (many destroyed) and large numbers of people were forced to flee their homes. Through our remarkable partners (with whom we had originally planned a significant expansion of our school meals programme this year) we shifted our focus to providing emergency aid to approximately 30,000 internally displaced people in the city of Mekelle.

Meanwhile, we saw once again a remarkable growth in fundraising activities for Mary's Meals. Across the world, our teams found ways to keep moving forward despite so many of our core fundraising activities not being possible because of Covid-19 restrictions. More people than ever accepted an invitation to join the Mary's Meals movement and we saw a remarkable increase in support. Despite all the challenges, our income in 2021 grew significantly, maintaining very strong year on year growth. We now have five National Affiliates raising over £1m per annum (and three over £2m). Thus, a decreasing proportion of our global income is dependent on our two largest affiliates - Mary's Meals UK and Mary's Meals USA.

This continued growth in income has enabled us to continue to add many thousands of children to our programmes, even during this year of Covid-19, and have also begun serving meals in Yemen for the first time. In the second half of the year, we marked the significant milestone of 2 million children being fed each day by Mary's Meals.





We continue to focus on reaching the places of most acute need, thus our teams are operating in incredibly challenging environments. South Sudan, Madagascar, Yemen, Ethiopia and Haiti are just some of the countries where we work with communities to serve daily school meals against a backdrop of conflict, civil unrest and humanitarian crises. We see that in all these situations the daily meal we serve is crucial in meeting the needs of the hungry child today, whilst at the same time giving them hope of a better future.

It was also a year when we continued to learn and innovate. We continue to shift a greater proportion of our programmes to delivery through local partners rather than our own Mary's Meals Programme Affiliates. We also formed some new partnerships in order to trial new models that might create opportunities to link with local agriculture and move dependence away from Mary's Meals at an earlier stage.

Meanwhile, the enforced experience of home working has accelerated our travel towards a 'remote first, truly global workforce'. We now have key staff roles in MMI based in various parts of the world – and are recruiting on the basis of where we can find the best person for the role, rather than whether they live in commuting distance of a particular office.

It has also been a year of progress in moving towards more local leadership in our four Programme Affiliates based in Africa (through which the large majority of our meals are served). We are happy that three of our four current Country Directors are African, and three are female – a marked move away from our previous norm of having expatriate leaders.

We move forward from the experience of the pandemic, having learnt a lot that makes us stronger. We are more certain than ever that our organisational values and culture must always come first. These are the foundation stones on which we can safely grow. And, in the face of so many humanitarian crises, so many children hungry and missing their education, we desire more than ever to grow and reach the next child waiting.

Magnus MacFarlane-Barrow
Chief Executive



Trustees' annual report

(including the strategic report and directors' report)

The trustees, who are also directors of the charitable company, present their annual report together with the audited consolidated financial statements of the charity and group for the year ended 31 December 2021. The trustees of Mary's Meals International Organisation (MMI) who served during the period and up to the date of this report are set out on page 1.

This report reflects the work and results of MMI, which acts as the international organisation of the Mary's Meals network and for which it provides a focus of unity, stability and continuity. Our school feeding programmes are delivered directly through Programme Affiliates in Malawi, Liberia, Zambia and Kenya and through partner organisations in other countries. These financial statements incorporate the full costs to carry out, monitor and support the delivery of these school feeding programmes. Income is generated by National Affiliates who raise awareness of the work of Mary's Meals and are entirely independent legal entities. As such, the results of these entities are not incorporated into this report. More detail on the group structure is set out on page 29.

All organisations across the Mary's Meals network share the following vision and mission:

Our vision:

Our vision is that every child receives one daily meal in their place of education and that all those who have more than they need, share with those who lack even the most basic things.

Our mission:

Mary's Meals is a global movement supported by people from many walks of life and different backgrounds.

Our mission is to enable people to offer their money, goods, skills, time, or prayer, and through this involvement, provide the most effective help to those suffering the effects of extreme poverty in the world's poorest communities.

We welcome all into the Mary's Meals family and we believe everyone has something important to contribute to the realisation of our vision.

Our charitable objects:

MMI has a specific role in the Mary's Meals movement to deliver on the vision and mission through the following charitable objects:

- a. To provide a daily meal, in a place of education, for children in the world's poorest communities;
- b. To provide relief for those suffering, in any part of the world, as a result of humanitarian crises or poverty, to help people escape poverty and to provide care for orphaned, abandoned and vulnerable children and to work for the prevention thereof;
- c. To raise awareness worldwide of poverty issues through education and;
- d. To assist and support the work of other organisations, financially or otherwise, in particular members of the Mary's Meals network throughout the world, the objects of which would be considered to be charitable purposes and similar in nature to these objects.

Our strategic aims:

We work towards the above charitable objects by focusing our efforts on three core strategic aims:

1. To feed more children in a place of education and help those suffering the effects of extreme poverty in the world's poorest communities.
2. To grow the global movement and enable more people to offer their money, goods, time, or prayer to advance the work of Mary's Meals.
3. To strengthen the organisation and Mary's Meals global network in the furtherance of the vision, mission and values.

We firmly believe that the children receiving Mary's Meals today can one day grow up, well-nourished and well-educated, to become the men and women who will lift their communities out of poverty.

Strategic report

Mary's Meals Strategic Plan 2021-2023

Throughout 2021, the focus has been on the rollout and delivery of our 2021-2023 Strategic Plan titled "The Next Child", and continuing to work towards our strategic aims.

The plan sets out our strategic objectives and high-level milestones as we work towards being capable of reaching three million children with a daily meal in their place of education by the end of 2023. The three key strategic aims will continue to guide our work throughout that period.

In line with those strategic objectives and because of the generosity of our global supporters as they give their time, skills, donations and prayers to enhance our global movement, over the course of such a challenging year for so many, we:

- Fed over two million children.
- Began working in Yemen, our 20th programme country.
- Began working with two new partners, Yemen Aid in Yemen, and Mary Help Association in South Sudan.
- Expanded 15 of our programmes in 12 countries, providing an incredible 441,082 children with Mary's Meals for the first time either with meals in-school or through community distributions while children learn from home due to Covid-19.
- Made significant progress in strengthening the organisation through greater digital onboarding and development of the integrated CRM, School Feeding Delivery Model and Integrated Digital Platform projects.
- Continued to grow the global movement through our network of National Affiliates across various fundraising activities and campaigns.

The sections that follow illustrate the progress we have made against each of our overarching strategic aims and highlight the impact that we believe these achievements have delivered for the children we serve and for the global movement we seek to inspire.



Our strategic aims



Feeding more children

Growing the global movement



Strengthening the organisation



Feeding more children



As a result of our deep resolve to reach more children, Mary's Meals is thrilled to report that we are now feeding over two million children in 29 programmes across 20 countries. This is a phenomenal achievement and would not be possible without our supporters and the hard work of our volunteers across the globe who play an incredibly important role in our vision to provide every child with a daily meal.

Throughout 2021, our school feeding programme grew by 441,082 children, representing a remarkable 24% growth rate, reached through expansions into 1,339 places of education. This is an incredible achievement and is testament to the efficiency of the Mary's Meals School Feeding Model and the hard work of our Programme Affiliates and Programme Partners, who have continued to reach thousands of new children safely and effectively in the context of Covid-19 restrictions. Thanks to these expansions, we are now reaching a total of 2,279,941 children in 20 countries across the globe, including 1,665,016 children across four Programme Affiliates and 614,925 children across 25 Programme Partners.



Ongoing impact of Covid-19

Throughout 2021, Covid-19 has continued to impact our work and necessary restrictions have been put in place to mitigate the spread of the virus, including prolonged school closures in countries where Mary's Meals operates. Despite these challenges, Mary's Meals has made a promise to provide one daily meal to the children we support, and in doing so, we adapted to a community distribution approach in countries where schools closed due to rising Covid-19 cases.

Through this approach, Mary's Meals distributed food to parents and guardians of the children to cook at home. Following a drop in Covid-19 cases and vaccine update globally, Mary's Meals is delighted to report that, by the end of 2021, the majority of children have been able to return to their classrooms as schools have now reopened. Despite the challenging context, the strong relationships we have built with communities where we work have allowed us to reinstate our normal school feeding programme smoothly in thousands of schools.

Mary's Meals understands the importance of school feeding programmes in reversing the potentially disastrous effects of Covid-19 on some of the world's most vulnerable children.

As a result, our work is more important than ever in getting children back into the classroom after prolonged school closures and disrupted learning which has set many children back in their personal and academic development. By providing a daily meal, Mary's Meals is addressing the root causes of classroom hunger, participation in education, giving each child the ability to concentrate and learn and the chance to gain a life-changing education at a critical time, as many of the world's poorest children face a looming learning crisis.



**COVID-19
RESPONSE**

Our work won't stop



Yemen

We have been able to grow our movement and reach out to additional children in need of Mary's Meals. We are delighted to report that we fulfilled plans to feed children in schools in Yemen, making it the twentieth country to join our global family. Through our new partner, Yemen Aid, 4,491 children are receiving Mary's Meals for the first time in the Aden region, located in the south of the country. This district is particularly vulnerable as it is home to many internally displaced people and other marginalised populations who all experience extremely high levels of food insecurity.

Zambia

Over 2021, we have expanded our Zambia programme significantly to reach an incredible 127,493 children in 253 schools, representing a remarkable 51% growth rate in just one year. Thanks to these expansions, we are now reaching a total of 376,407 children across Zambia's Eastern Province.

Haiti

With the short and long-term impact of Covid-19, the sustained socio-political turbulence and Haiti's vulnerability to the effects of extreme weather events, the need for Mary's Meals has never been greater in the country. In October 2021, Mary's Meals completed two expansions, and we are now feeding an additional 23,438 children in 60 schools with our partner BND, and an additional 10,416 children in 30 schools with Summits Education. As a result of these expansions, we are now reaching 182,515 children in 562 schools across Haiti, providing a crucial lifeline for children on the island.

Following a 7.2 magnitude earthquake that occurred in south of Haiti in August 2021, Mary's Meals worked with Summits Education to ensure vital food rations and other essential items were delivered to those suffering the worst effects of this disaster.

South Sudan

Mary's Meals, alongside our trusted, long-term partner, the Diocese of Rumbek, has grown from feeding 46,537 children in December 2020 to feeding 70,903 children in December 2021, representing a remarkable 52% growth rate in one year. Additionally, Mary's Meals has also begun feeding in 12 new primary schools in the northwest of South Sudan through a new partner, Mary Help Association (MHA), reaching another 5,066 vulnerable children.

Ethiopia

During 2021, conflict continued to affect lives in the Tigray region of Ethiopia, where our feeding programme operates. With no fuel for any humanitarian operations allowed into the region since August 2021, aid operations have had to be reduced or suspended, including critical distribution of food, water, health and nutrition services.

Mary's Meals, alongside our long-term partner, have been able to provide a daily meal to 30,000 internally displaced people who have flooded into Mekelle, the region's capital city, to escape violence.



Impact of our feeding programmes

Feeding the correct meal every day is paramount to achieving our intended impact. In 2021, we collected feeding rate statistics for our four Programme Affiliates and for the six largest Programme Partners (all feeding over 40,000 children). Since we provide a meal consistently, we expect that children are motivated to attend school regularly, and for there to be an equal ratio of girls and boys attending.

From our five-year impact study, we know that Mary's Meals has strong immediate outcomes when we start feeding in a school. Tracking outcomes when Mary's Meals expands and starts feeding in a new school allows us to do ongoing monitoring of our immediate outcomes at the start of the programme.

In 2021, we gathered some limited data on expansion in Zambia, including asking some open-ended questions to help guide our future data collection in this area. A short survey was conducted with the headteacher in each school, and the findings show:

- 98% of headteachers reported an increase in attendance since the introduction of the school feeding programme at their school.
- Nearly 1/3 of headteachers reported that teachers are more motivated after the introduction of Mary's Meals, because of the lower absenteeism, increased attendance, and increased performance of students.
- Headteachers reported improvements in participation and children staying in school longer and/or not missing class.



2021 was a year of adapting to an often-changing environment at Mary's Meals to ensure we were keeping our promise to the children we reach. Many programmes had in-person schools closed for at least part of the year. In some cases, schools were open, but no in-school feeding was allowed. In our Malawi programme, children received take-home rations until we were finally able to resume in-school feeding in October. We conducted two separate studies in Malawi to track how well we kept our promise throughout the year, and to learn for future emergency responses.

In February 2021, the Mary's Meals Malawi team conducted 588 surveys across 50 take-home ration distribution points in 14 districts across the country, to understand the impact of take-home rations for children and their families. The survey was conducted with the householder picking up the rations and questions were based on their use of the previous distribution approximately six weeks prior. The reality of take-home rations is that we expected that households may share food within their households, and 59% of households reported sharing the food with the entire household. As such, we asked about how take-home rations affected households rather than just children and found that:

- 95% of households told us there was a reduction in hunger in their home while they had take-home rations from Mary's Meals.
- We saw a 73% reduction in worry about hunger following the distribution of food.
- 93% of households said that school meals was an important factor in their decision to send their children back to school on reopening.





In October 2021, we were able to return to in-school feeding for the first time in nearly 18 months. Just after children returned, our team surveyed 169 boys and 192 girls (361 children in total) in 10 schools in 5 districts across Malawi to compare their experiences with take-home rations compared to in-school feeding:

- 87% of children reported that the in-school feeding motivated them to attend school more regularly.
- 88% of children stated that now that they are receiving a meal in school, they rarely or never leave school early due to hunger.
- 89% of children reported an improvement in their concentration with the return of in-school feeding.
- 92% of children reported that they rarely or never worried about going hungry with the return of in-school feeding.
- 88% of children reported feeling less hungry in school with the return to in-school feeding compared to when they were receiving take-home rations.

The findings from this research confirm that a daily meal in a place of education has a real and significant impact for the children we serve. It provides evidence for key aspects that our approach to school feeding of providing a meal consistently, every school day, achieves positive outcomes for children's hunger, energy and wellbeing.





Growing the global movement



Over the past year, Mary's Meals has continued to grow, and our global movement has expanded thanks to our creative and hardworking National Affiliates and volunteers who have launched campaigns and found innovative ways to raise funds for our mission and vision.

The most significant activity across our movement followed the announcement that Mary's Meals was feeding two million children every school day in August 2021. Events were centred in Turkana, Kenya with celebration events shared across Mary's Meals digital channels. In addition, Mary's Meals Ireland launched **2 Million Meals**, with an aim to raise funds to provide two million children with a nutritious meal for a day. In the Polish city of Gdańsk, Mary's Meals Poland organised a concert and screening of **Child 31** to celebrate the announcement, with some guests so moved by the story of Mary's Meals that they signed up to volunteer. Additionally, volunteers in Italy gathered to watch the Two Million Children broadcast. Mary's Meals' digital channels were full of content to celebrate and content from National Affiliates such as Mary's Meals Canada, Spain, Czech Republic and USA was shared across social media outlets.

Other campaigns and innovations include:

Mary's Meals National Affiliates in Germany, Poland, Switzerland, Spain, and Italy launched the **Move for Meals** campaign which ran from May to July, raising funds for children in our Malawi feeding programme. The campaign invited supporters to collect sponsorships toward a distance goal, completed by running, cycling, walking or other creative ways.

Mary's Meals UK launched their Mother's Day campaign in March 2021, called **Mums Make Mary's Meals**. This campaign involved the selling of Mother's Day cards for £15.90 each, giving supporters the opportunity to show the women in their life how much they mean to them, while helping to feed a hungry child for an entire year.

Mary's Meals Ireland undertook their largest annual fundraiser and raising awareness event, the **Step by Step for Mary's Meals** (the **Walk to Knock**) challenge over eight days from the 7th to 15th August.



Mary's Meals Ireland launched a youth programme called **Little Acts, Big Difference**, which is designed to introduce the life-changing work of Mary's Meals and invites young people to become part of our vibrant global family.

Mary's Meals Italy enlisted actor and singer Romina Power as a new International Ambassador to raise awareness for the work of Mary's Meals.



Every year, Mary's Meals organises a pilgrimage in October to Medjugorje in Bosnia and Herzegovina, a special place in the story of Mary's Meals. However, due to Covid-19 and related travel restrictions, the past two years have been celebrated virtually with supporters from all around the world joining via the internet. This year, however, as travel restrictions eased, some people were able to attend in person while others joined virtually. The event included activities such as a live introduction and a reflection from Magnus who attended the pilgrimage in person this year.

During 2021, a Strategic Partnerships team was set up with an aim to growing the fundraising and awareness profile of Mary's Meals in countries where we directly implement our programmes. Initial work carried out indicates opportunities for fundraising and this will continue into 2022 and beyond.



Strengthening the organisation



Organisational transition

We are committed to being a truly global, remote-first organisation that supports many ways of working – all of which allow us to work together, wherever in the world we are, while focusing on reaching the next child. This new way of working will allow us to make significant steps to becoming a more diverse organisation that supports many ways of working that reflect the post-pandemic context. This has guided the decision to re-open the Glasgow office on a voluntary basis for employees following easing of Covid-19 restrictions in the UK. To bolster the new remote-first way of working and to support staff in this organisational transition, we have launched a 'Buddy Scheme' to welcome new staff to our family and connect across the organisation.

In understanding the changes and emotional challenges of working remotely during the pandemic, a Well-being Agenda was launched and Well-being champions were appointed to promote and support well-being in all its forms to enable a positive working environment. This aims to raise awareness and normalise conversations around well-being, providing learning opportunities, and empowering employees to take time to assess and evaluate their well-being.

MMI has also continued to develop its staff, building the capacity of our organisational leaders and allowing greater cross-organisational learning through the Leadership Academy and Programmes Academy.

National Affiliate Forum

Five National Affiliate Forum (NAF) meetings took place in 2021. The NAF is a platform for engaging, sharing, and discussing information and activities between Affiliates and MMI staff. Given the excellent interaction and vastly improved relationships that have been established via the NAF, it is now easier to address immediate and specific issues quickly by convening ad-hoc meetings, while retaining the regular Forum meetings with the broader attendance.

There are now five active workgroups, with two new short-term workgroups added during 2021, addressing topics chosen by National Affiliates themselves. The results of these workgroups will be broadly shared across the affiliate network and will also help determine future levels of support for National Affiliates. The outputs from the longer running workgroups shared more broadly are being migrated into the newly established National Affiliate Resources Hub.

Developing our systems

Mary's Meals Global Constituent Relationship Management (CRM) tool provides National Affiliates with the system and processes needed to cultivate strong relationships with supporters and volunteers. The provision of Salesforce to National Affiliates ensures a consistent and robust approach to data management, using a secure and compliant model to store supporter data in a single source. The Global CRM system had a considerable impact on the organisation in 2021 through a range of improvements:

- Additional functionality that enables financial reconciliation with our accounting software.
- New data points to enable tracking of grant funded school feeding.
- A range of user-led improvements to the interface to enhance usability.
- Increased use of reporting and dashboards across affiliates and directorates with over 1,800 reports run in 2021, representing twice as many as 2020.



In 2021, the Global CRM system was deployed to Mary's Meals Switzerland and Mary's Meals Croatia, bringing the total number of National Affiliates using our global system up to 5. We are currently working with Mary's Meals Germany to implement their CRM system in early 2022. At all stages of the CRM journey, MMI provides support, guidance and training to ensure strong user adoption so that affiliates can realise the full benefits of the system.

The School Feeding Delivery Model (SFDM) project has now reached a digital phase of implementation, meaning school feeding programme data is being captured digitally and in real time for the first time on smart phones provided to Mary's Meals staff in-country via an app called Resco. Teams in Zambia, Kenya and Malawi are now fully live on SFDM digital with Liberia currently in roll-out.

Data is collected via phone during school visits by school feeding officers and allows digital verification of enrolment and attendance figures in real time. Volunteer data and training sessions are also being recorded digitally, giving us a greater understanding of volunteer contribution to the school feeding programme. School feeding officers also log and verify stock balances at school level, allowing Mary's Meals to ensure there is always correct stock in programme schools.

The school feeding delivery model complements our 'Next Child Strategy' as it is scalable whilst ensuring efficiency and effectiveness through encouraging best practices across our global programmes, allowing for higher quality data, support and food qualities and processes that enhance school feeding delivery. In deploying our school feeding delivery model in its digital phase, we can ensure:

- We keep our daily promise to children already in our global programmes through more effective monitoring processes.
- Our ability to reach the next child quicker and with greater scalability over time through harmonised systems and processes that use best practice throughout all Programme Affiliate countries.
- We have more time available for supporting our schools through improved and higher quality data collection.
- We have improved reporting capabilities, learning and informed decision making by using data collected to gain a deeper understanding and inform delivery effectiveness.

The Mary's Meals Integrated Digital Platform project will provide a fully integrated suite of applications that supports and enhances donor journeys across all web and mobile devices, manages all our supporter and school feeding data centrally, is integrated with our CRM, and is integrated to external sources such as payment gateways and finance systems.

The core platform has been developed across 2021 with MM Poland and MM UK going live in early 2022. As we migrate all National Affiliates onto the platform, we will be replacing existing local CRM systems and websites, and standardising the main donor journeys and campaigns. Centralised analytics and reporting will allow deeper insight and relationships with our donor communities as well as with our programme countries. We believe standardising and simplifying the way we interact with both donors and programme delivery is going to give us a real opportunity to accelerate growth in line with strategic goals and objectives.

Risk management

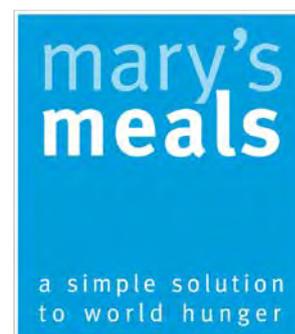
Risk registers were created for each of our Programme Affiliates and an overarching register was created for Programme Partners. These enhance our understanding of the risk profile in the countries we work in and informs our assessment of related risks within MMI accordingly. A revised whistleblowing policy was approved during the year and was rolled out to all staff and third parties, further raising awareness of the policy across MMI and Programme Affiliates.

Governance

During the year, the Mary's Meals key global policies were refreshed, reviewed and rolled out across the organisation. In addition, governance of the organisation was strengthened through the development of a trustee induction pack for MMI trustees which is intended to be rolled out further in Programme Affiliates.

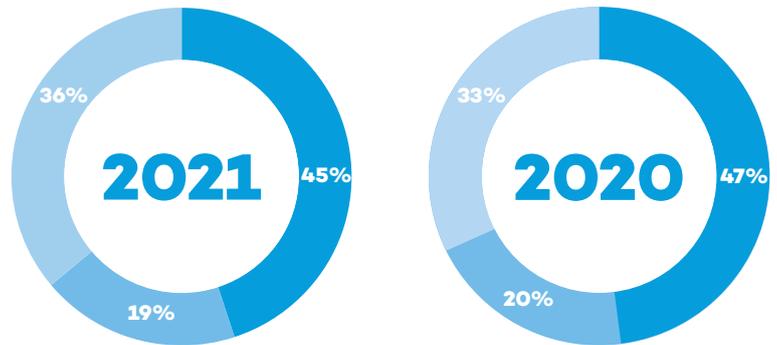


Safeguarding Children
& Vulnerable Adults



Cash income received by MMI

■ MMUK ■ MMUSA ■ Other



Financial review

For the year to 31 December 2021, the MMI organisation has recorded an overall surplus of £0.623m (2020: surplus £2.348m). Total group income was £33.722m (2020: £28.988m), of which £33.153m was cash (2020: £28.258m). Virtually all of this income was generated by the many Mary's Meals National Affiliates across the world, with 45% (2020: 47%) of total cash income coming from the National Affiliate in the UK, 19% (2020: 20%) from the National Affiliate in the US and the remaining funds being generated by many other National Affiliates, international fundraising groups and individuals all around the world. The increasing proportion of funds being raised by National Affiliates based outside the UK and US is part of our strategy to continue to grow and diversify the sources of our income.

The total group income result is remarkable when considered in the context of a year where the Covid-19 pandemic continued to disrupt so much. Successful fundraising efforts made by a number of our National Affiliates have yielded the following notable year-on-year upward trends: MM UK £1.728m, MM Germany £1.003m, MM USA £0.608m, MM Ireland £0.535m and MM Austria £0.411m. The significant contributions of all affiliates, as detailed in note 6 to the accounts, provide MMI with an ever-widening and strengthening fundraising base from which we will continue to reach as many children as possible.

Total expenditure for MMI for the year was £33.712m (2020: £27.167m). This represents an increase of 24% year on year and is reflective of the progress we have been able to make in line with our Strategic Plan. Whilst this is clearly significant progress, and despite reaching an additional 441,082 children, it is worth noting that this falls below what we had budgeted to spend in 2021. This is primarily due to the impact of Covid-19, which resulted in lost feeding days and certain expansions happening later than planned. This underspend versus budget, combined with the remarkable income result, has led to a small surplus and consequent increase in reserves. These funds will be utilised to support our ambitious plans as set out in our Strategic Plan.

We spent £33.452m (2020: £26.931m), or 99% (2020: 99%), on charitable activities (which are explained in full on page 9). Note 9 shows that the year-on-year increase is predominantly as a result of our direct and partner feeding expenditure, with a proportionally lower increase in support cost spend. We continue to significantly exceed our long-term commitment to spend at least 93p of every £1 on our charitable activities. Direct fundraising is carried out on our behalf by independent National Affiliates, whose financial results are not included in these financial statements.

As outlined in note 8 to the financial statements, it cost £30.156m (2020: £23.107m) to deliver our core school feeding programme in all the countries where we work. The number of children fed during the period rose from 1,838,859 to 2,279,941, an increase of 441,082. We use core KPIs, including the number of children fed and charitable spend, along with cost per child, to accurately assess and demonstrate the significant progress that has been achieved in the reporting period as we look to feed more children as efficiently as possible. The cost per child incorporates the total cost of delivering the school feeding programmes each year, inclusive of support costs. The actual average cost of feeding a child for our financial year 2021 was £14.56 (2020: £12.60) against a budget of £15.90 (2020: £15.90), evidencing our strong commitment to keeping costs under control and achieving value for money. This is below the budgeted level because of Covid-19 interrupting school feeding, expansions taking place later than planned in the second half of the year and actual feeding being in a mix of countries different to those we had planned for. It is higher than 2020 as the pandemic interrupted school feeding less in 2021 than 2020 and also reflecting the strategic decision to expand in countries which have a relatively higher cost per child. Prior year KPI results are shown in the table below. The individual results of our consolidated subsidiaries are detailed in note 23.

KPI	2017	2018	2019	2020	2021
Number of children fed	1,230,171	1,425,013	1,667,067	1,838,859	2,279,941
Cost per child (£)	12.74	11.69	12.97	12.60	14.56
Charitable spend (%)	99	99	99	99	99



The reserves policy is reviewed annually. As at 31 December 2021, the policy was to retain sufficient funds required to meet three months of central running costs and 1.5 months of committed programme expenditure, along with an amount to cover the net book value of forecasted group tangible and intangible fixed assets. Additionally, a designated fund is held to cover Life Assurance for non-UK employees. On this basis, the charity would expect to hold £7.827m (2020: £6.805m) in unrestricted reserves, as a minimum. At 31 December 2021, the group unrestricted reserves were £19.058m (2020: £18.850m). Restricted funds of £0.616m (2020: £0.201m) were held at year end. The significant unrestricted free funds held over year end will be utilised to cover expansion costs in future years, in line with our Strategic Plan. This includes the aspiration to reach significantly more children over that time frame and beyond. Following a record level of expansion in 2021 and the subsequent full year impact of those expansions, further programme expansions to reach an additional 87,000 children in 2022 have been approved, with the intention to continue expanding in subsequent years where income growth allows.

In accordance with the articles of association, the charity has the power to invest as it sees fit. Surplus funds are held in a combination of current and investment accounts in a mixture of currencies to minimise bank charges, to optimise interest earned and accessibility and to minimise risk.

Robust tendering processes have ensured food prices for most of our programmes were fixed during 2021 to protect the programmes from fluctuations in food costs. We have continued to work hard to achieve value for money in the major procurements we have undertaken in 2021. Owing to the nature of our main charitable activities, food prices do remain a risk to our overall future financial position and are therefore monitored carefully. In the current global context, our model of fixed price contracts and working with local suppliers does help mitigate the risk of significant price rises.

While the bulk of our work is delivered directly through Programme Affiliates (in Malawi, Liberia, Zambia and Kenya), we also have significant and growing partnerships with other organisations who implement our programmes in other countries. This is a strategic decision to increase the proportion of programme delivery carried out through partner organisations. Although it is a smaller proportion of our total expenditure, by working with these partner organisations, we are able to extend the work of Mary's Meals to reach hungry children in some particularly challenging environments.

In Romania, we work with the Rhema Foundation to serve nutritious meals to young adults living in residential care. The Rhema Foundation provides all-round care for HIV-positive young people who were abandoned in hospital in Bucharest in the 1990s. Mary's Meals Liberia runs the Oscar Romero School for the Deaf in Tubmanburg, which is an elementary school with residential facilities. The costs associated with these projects do not form part of the core school feeding programme and thus are shown separately in notes 8 and 9 to the financial statements.

The vast majority of funds received by MMI come from our fundraising National Affiliates, spanning a number of countries around the world, who successfully raise funds for Mary's Meals programmes. In addition to this, we receive a small proportion of our total income directly from donors who are located in countries where a fundraising National Affiliate does not yet exist.

Consistent with previous years, Mary's Meals has benefitted tremendously from the contribution of many volunteers who have given willingly of their time to help realise our vision. Across the global movement, volunteers are engaged every day in fundraising activities, promoting awareness of the Mary's Meals vision and delivering our feeding programmes. While the financial impact cannot be quantified, the selfless contribution of so many volunteers has a huge impact on the success of Mary's Meals and will continue to be an essential part of our global movement in the future.

Our supporters continued to respond positively to the challenges posed by the Covid-19 pandemic and continue to give generously of their money, goods, skills, time, or prayer. Our financial results in the early part of 2022 indicate that our income continues to hold up and, coupled with solid reserves carried forward, put us in a strong position through this period of uncertainty to continue reaching those children who need Mary's Meals. A high-level financial modelling exercise has been undertaken to demonstrate and give reassurance that our current level of income and reserves should be sufficient to sustain operations for the foreseeable future.

The financial statements have been prepared on a going concern basis. The trustees continue to believe this is reasonable, in view of our strong reserves position, our controllable costs and the wide and stable fundraising base in place across the Mary's Meals network.

Risk review

Risk management is crucial to safeguarding the delivery of our vision through timely action to manage known threats. The trustees have overall responsibility for identifying and assessing the charity's strategic risks. The risk register is subject to periodic review by both trustees and senior leadership to confirm the risks identified continue to be relevant. We then design and implement suitable mitigating strategies to manage each risk, either through preventing the risk or minimising its impact on the charity should it occur. The trustees delegate responsibility for delivering the mitigating strategies to senior leadership.

Risk registers are in place for each directorate to support delivery of the mitigating strategies at an operational level and to better inform our assessment of our strategic risk profile. The directorate registers mirror our strategic register and each directorate risk is linked to an overarching strategic risk.

We regularly monitor risk performance through our risk governance structure. Senior leadership receive a quarterly report on our strategic risks, which highlights movements in our risk profile and an overview on progress to implement new mitigating strategies. Quarterly reporting is also provided to our trustees through the Finance, Risk and Audit Committee and the Board.

During 2021, we completed a refresh of our strategic risk register in light of our new Strategic Plan 2021-2023. The refresh led to the identification of new risks at a strategic level and revision of existing risks to better focus on areas of potential concern.



The agreed strategic risks for MMI are now as follows:

No.	Strategic risk themes	Key mitigation strategies	Strategic aim
1	We fail to deliver quality feeding programmes	<ul style="list-style-type: none"> Clearly defined School Feeding Approach setting out key principles for how our programmes should operate. School Feeding Delivery Model providing applications and tools to support effective delivery and oversight of feeding programmes. 	Feeding more children
2	Our programme growth is not in line with our ambition and desired impact	<ul style="list-style-type: none"> Three year programme strategy and expansion roadmap outlining planned activity. Robust programme partner identification and assessment process to support growth. 	Feeding more children
3	Our financial planning and stewardship is inadequate to support programme delivery and growth	<ul style="list-style-type: none"> Five-year financial plan, supported by annual budgets and ongoing financial monitoring. Regular monitoring and reporting on financial management and outlook. 	Feeding more children
4	We're unable to leverage strategic relationships to benefit MM	<ul style="list-style-type: none"> Memorandums of Understanding with local governments setting out expectations for our programmes and working relationships. Membership of government-led working groups and NGO/charity forums in our programme countries. 	Feeding more children
5	Our campaigns and content fail to inspire new supporters or retain existing audiences	<ul style="list-style-type: none"> Delivery of new and existing campaigns, such as Food Changes the Story. Communications staff providing advice and support on raising brand awareness to the global movement. 	Growing the global movement
6	Our systems and tools don't create engaging and meaningful interactions with supporters	<ul style="list-style-type: none"> Digital Content Library available to provide appropriate and engaging content for communications with supporters. Training provided to National Affiliate staff on communicating digitally with supporters, such as via social media. 	Growing the global movement
7	Our income generation is inadequate and unsustainable	<ul style="list-style-type: none"> Access to geographical and cultural spread of donors and funding via National Affiliates. Facilitation of regular engagement and information-sharing between National Affiliates on growing income. 	Growing the global movement

8	Inadequate or underperforming workforce	<ul style="list-style-type: none"> Established processes to facilitate staff recruitment, performance management and capacity building. Systems in place to support blended working, including revised remote working policy. 	Strengthening the organisation
9	We fail to adequately prevent or address safeguarding concerns	<ul style="list-style-type: none"> Safeguarding policy and procedures in place and training provided to all staff. MMI Safeguarding Committee established to oversee safeguarding framework and respond to concerns raised. 	Strengthening the organisation
10	Breach of systems holding critical data	<ul style="list-style-type: none"> IT security measures in place across MMI systems, with Cyber Essentials Plus accreditation obtained. Training provided on key topics to staff, such as data protection and IT security. 	Strengthening the organisation
11	We fail to protect MM, our people, beneficiaries or brand from insecure, unsafe or unethical situations	<ul style="list-style-type: none"> Dedicated Security & Risk Managers in each Programme Affiliate advise on day-to-day security and incidents. Crisis Management Teams established for MMI and each Programme Affiliate who respond to crises. 	Strengthening the organisation
12	The global movement operates inconsistently in silos	<ul style="list-style-type: none"> Mary's Meals International Council discusses key topics and has representation from across the movement. Forums established to encourage cross-sharing of objectives and information, such as the quarterly National Affiliate Forum. 	Strengthening the organisation
13	Staff, affiliates or partners act contrary to MM values and culture	<ul style="list-style-type: none"> Comprehensive due diligence exercises conducted over affiliates, partners, and suppliers. All new employees are screened for compatibility with our values during the recruitment process. 	Strengthening the organisation

The Covid-19 pandemic continued to affect delivery of our programmes during 2021. We were able to rely on the mitigating strategies implemented during 2020 to help us respond effectively and continue to deliver feeding, whether within schools or within the communities we serve. As a result, our risk profile remained steady when considering the impact of Covid-19. We continue to monitor the potential impact of the pandemic on our risk profile through our existing risk management and reporting arrangements.

Section 172 statement

The Board of trustees consider, both individually and collectively, that they have acted in the way they consider, for the benefit of its members as a whole (having regard to the stakeholders and matters set out in S172(1)(a-f) of the Companies Act 2006) in the decisions taken in the year ended 31st December 2021 and summarise those actions in the table below.

Section 172 Interest	Actions in the period
a) Likely consequences of any decision in the long term	<ul style="list-style-type: none"> • The trustees consider all decisions on the basis of reports made to them by the senior leadership. Supporting papers setting out the relevant facts are provided and set out the background and reasons for any proposals and associated costs, benefits, risks and impacts on our stakeholders. All decisions are taken with the long-term interest of our stakeholders in mind and with reference to our three year strategy. • Key decisions made during the year: <ul style="list-style-type: none"> • Roll out of the 2021-23 Strategic Plan titled 'The Next Child' • Continuation of community feeding models in response to the Covid-19 pandemic • Roll out of global recruitment policy, recruiting on the basis of where we can find the best person for the role, rather than whether they live in commuting distance of a particular office.
b) Interest of employees	<ul style="list-style-type: none"> • Due to the global nature of the organisation, we have a diverse workforce both in terms of gender and ethnicity. MMI continues to take an equal opportunity approach in all that we do. Mary's Meals is a global movement supported by people from many walks of life and different backgrounds. We welcome all into the Mary's Meals family and we believe everyone has something important to contribute to the realisation of our vision. In 2021, we: <ul style="list-style-type: none"> • Launched the Well-being Agenda and appointed Well-being Champions. • Continued to develop our staff, building the capacity of our organisational leaders and allowing greater cross-organisational learning through the Leadership and Programmes Academy.
c) Foster business relationships with suppliers, customers and others	<ul style="list-style-type: none"> • The success of MMI is dependent upon the strong relationships it builds with both its supporters, regulatory authorities, suppliers and internally with employees. We seek to build long-term partnerships with key suppliers and delivery partners, recognising the long-term nature of the school feeding programmes that we are delivering.
d) Impact of our operations on the community and the environment	<ul style="list-style-type: none"> • Our approach relies on community volunteers to serve meals each day – this commitment is vital for a long-term, sustainable school feeding programme. We are mindful of what we do in respect of our impact on the environment. The Covid-19 pandemic significantly reduced visits to Programme and Partner Affiliates and also closed the MMI and in-country offices reducing the overall number of commuting journeys.
e) Maintaining a reputation for high standards of business conduct	<ul style="list-style-type: none"> • We always strive to conduct ourselves to the highest ethical and professional standards.
f) Act fairly as between members of the company	<ul style="list-style-type: none"> • The continued success of MMI is dependent on the continued collaboration of all parts of the Mary's Meals family. In 2021, the newly formed Mary's Meals International Council met for the second time with the benefit of increasing cooperation and input on global activities from representatives across the movement.

Energy and carbon reporting

We recognise that the climate emergency is one of the key issues of the current era. The growing nature of MMI and our broad global footprint make it important that we act in an environmentally responsible manner and doing our part in moving to a sustainable low carbon society. The following table shows MMI's energy use in the UK for the year, together with associated greenhouse gas emissions.

	2021	2020
UK energy use		
Electricity ('000 kWh)	20	22
Gas ('000 kWh)	94	22
Transport ('000 miles)	54	135
Associated greenhouse gas emissions (GHG)		
Electricity (tonnes of CO ₂ e)	4	6
Gas (tonnes of CO ₂ e)	17	4
Transport (tonnes of CO ₂ e)	25	63
Intensity Ratio		
Tonnes of CO ₂ e per MMI employee	0.55	0.75



Structure, governance and management

MMI is a company limited by guarantee governed by its memorandum and articles of association dated 3 October 2014. It is registered as a charity with the Office of the Scottish Charity Regulator. There are 12 founder members and the trustees are obliged to appoint, subject to certain conditions being satisfied, representatives from National Affiliates, each of whom agrees to contribute £1 in the event of the charity winding up. There are currently 33 members of MMI.

Scottish International Relief Malawi, Mary's Meals Zambia and Mary's Meals Liberia are subsidiary entities whose main function is to implement Mary's Meals' projects in those countries. MMI is represented on the boards of these organisations. For the purposes of this annual report, and on the basis of control, these entities have been consolidated as subsidiaries.

Mary's Meals is also registered in Kenya as an overseas organisation working in the country. Kenya represents a branch of MMI, and along with Bosnia-Herzegovina make up the charity results as presented in this report. The group results include the consolidated subsidiaries, Malawi, Zambia and Liberia. Mary's Meals fundraising National Affiliates are entirely independent entities and therefore not included in these financial statements.

The charity is governed by the board of trustees, as listed on page 1, which meets on a quarterly basis. The composition of the board is monitored on a regular basis to ensure that the trustees have the necessary skills and expertise required to govern the charity. A budget is set annually in advance and submitted to the trustees for approval.

Appointment of trustees and training

As set out in the articles of association, the minimum number of trustees is three. There is no maximum number, unless determined by ordinary resolution. New trustees are appointed by the charity by ordinary resolution and are thoroughly vetted prior to appointment. They are briefed on their legal responsibilities and supplied with copies of the governing documents. They commit to a code of conduct, including upholding the aims and values of the charity. A list of the trustees who served during the financial period is included on page 1 of this report.

During the financial period to 31 December 2021, the day-to-day running of the charity was managed by the chief executive officer Magnus MacFarlane-Barrow, reporting to the board of trustees, and supported by the directors leading communications, programmes, people, affiliate development, finance & operations and strategic partnerships. From January 2022 we have created a new, smaller Executive Leadership Team with 3 new Chief Officer positions aligned with the 3 'pillars' or 'aims' of our strategic plan: to feed more children, to strengthen the organisation and to grow the movement. We believe this new structure will put us in a great position to support further expansion across the global movement.

Approach to remuneration

In 2015, a pay and grading structure was introduced for all staff and this was benchmarked against similar organisations. The benchmarking showed that Mary's Meals pays significantly less than the benchmark to those in senior roles. This reflects our long-standing commitment to pay restraint at senior levels in the organisation and also reflects a vocational approach on the part of our senior leaders and the wider staff group across Mary's Meals. Recognising the differential in pay compared to other organisations, Mary's Meals is committed to offering a great place to work and an attractive package of non-financial benefits. The pay of the senior staff, and all staff, is reviewed annually and normally increased in accordance with inflation.

MMI continues to take an equal opportunity approach in all that we do.

Trustees' insurance and indemnities

The trustees, who are also the directors, have the benefit of the indemnity provisions contained in the company's articles of association ("articles"), and the company has maintained throughout the year directors' and officers' liability insurance for the benefit of the company, the directors and its officers. The company has entered into qualifying third-party indemnity arrangements for the benefit of all its directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in place throughout the year and remain in force.

Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.





Statement of trustees' responsibilities

The trustees (who are also directors of Mary's Meals International Organisation for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees approve the trustees' annual report (including the strategic report and directors' report) in their capacity as trustees.

On behalf of the Board

David Clayton
15 June 2022

Independent auditor's report to the trustees and members of Mary's Meals International Organisation

Opinion

We have audited the financial statements of Mary's Meals International Organisation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated group statement of financial activities, Charity statement of financial activities, the Consolidated Group and Charity Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2021; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report and the strategic report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report, included within the trustees' annual report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- sufficient, adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 29 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team and component auditors:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), regulation 8 of the Charity Accounts (Scotland) Regulations 2006, Charities SORP (FRS 102) and the Charities and Trustee Investment (Scotland) Act 2005. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are The Data Protection Act 2018, The Children Act 2004, the

Scottish Adult Support and Protection Act 2007. We have performed audit procedures to inquire of management and those charged with governance whether the Group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities and relevant policies management have implemented.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

All relevant laws and regulations identified at a Group level and areas susceptible to fraud that could have a material effect on the consolidated financial statements were communicated to component auditors. Any instances of noncompliance with laws and regulations identified and communicated by a component auditor were considered in our group audit approach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kelly Adams CA MA (Hons) (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

Date **23 June 2022**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



Consolidated group statement of financial activities

(including consolidated income and expenditure account for the year ended 31 December 2021)

		Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	2020 Total £'000
	Note				
Income from:					
Donations	6	23,584	10,089	33,673	28,880
Other		49	-	49	108
Total income		23,633	10,089	33,722	28,988
Expenditure on:					
Raising funds	7	260	-	260	236
Charitable activities	8, 9	23,778	9,674	33,452	26,931
Total expenditure		24,038	9,674	33,712	27,167
Net (expenditure)/income for the year	11	(405)	415	10	1,821
Other recognised gains:					
Currency gains		613	-	613	527
Net movement in funds		208	415	623	2,348
Reconciliation of funds					
Total funds brought forward		18,850	201	19,051	16,703
Net movement in funds for the year		208	415	623	2,348
Total funds carried forward	20-22	19,058	616	19,674	19,051

All amounts relate to continuing operations. There is no material difference between the surplus on ordinary activities and the surplus for the financial year stated above and their historical costs equivalents.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 40-59 form an integral part of these financial statements.

See note 4 for comparative consolidated statement of financial activities analysed by funds.

Charity statement of financial activities

(including income and expenditure account
for the year ended 31 December 2021)

		Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	2020 Total £'000
	Note				
Income from:					
Donations	6	23,391	10,089	33,480	28,837
Other		30	-	30	85
Total income		23,421	10,089	33,510	28,922
Expenditure on:					
Raising funds	7	260	-	260	236
Charitable activities	8, 9	22,947	9,674	32,621	25,996
Total expenditure		23,207	9,674	32,881	26,232
Net income for the year	11	214	415	629	2,690
Other recognised (losses)/gains:					
Currency (losses)/gains		(33)	-	(33)	289
Net movement in funds		181	415	596	2,979
Reconciliation of funds					
Total funds brought forward		17,722	201	17,923	15,856
Net movement in funds for the year		181	415	596	2,979
Transfer to group		-	-	-	(912)
Total funds carried forward	20-22	17,903	616	18,519	17,923

All amounts relate to continuing operations. There is no material difference between the surplus on ordinary activities and the surplus for the financial year stated above and their historical costs equivalents.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 40-59 form an integral part of these financial statements.

See note 5 for comparative charity statement of financial activities analysed by funds.

Consolidated group and charity balance sheets

as at 31 December 2021

		Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
	Note				
Fixed assets					
Intangible assets	14	964	630	964	630
Tangible assets	15	750	684	77	107
Total fixed assets		1,714	1,314	1,041	737
Current assets					
Stocks	16	1,161	909	1	123
Debtors	17	3,405	3,048	3,358	2,965
Cash at bank and in hand		15,078	14,897	14,469	14,557
Total current assets		19,644	18,854	17,828	17,645
Liabilities					
Creditors: amounts falling due within one year	18	1,684	1,117	350	459
Net current assets		17,960	17,737	17,478	17,186
Net assets		19,674	19,051	18,519	17,923
Funds					
Unrestricted funds	20	19,058	18,850	17,903	17,722
Restricted funds	21,22	616	201	616	201
Total funds		19,674	19,051	18,519	17,923

These financial statements of Mary's Meals International Organisation on pages 34-59 were approved by the Board of Trustees and authorised for issue on 15 June 2022 and signed on its behalf by:



David Clayton

Chair

Charity Number SC045223
Company Number SC488380

Consolidated group and charity cash flow statements

for the year ended 31 December 2021

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Net cash flows from operating activities	411	1,740	428	2,612
Cash flows from investing activities				
Interest income	30	71	27	67
Purchase of fixed assets	(888)	(197)	(514)	(49)
Proceeds from disposal of fixed assets	8	24	-	5
Net cash change in investing activities	(850)	(102)	(487)	23
Change in cash and cash equivalents	(439)	1,638	(59)	2,635
Cash and cash equivalents				
Cash and cash equivalents brought forward	14,897	12,693	14,557	12,369
Change in cash and cash equivalents due to exchange rate movements	620	566	(29)	302
Transfer to group	-	-	-	(749)
Cash and cash equivalents carried forward	15,078	14,897	14,469	14,557

Cash and cash equivalents are represented by cash at bank and in hand.

Note to the consolidated group and charity cash flow statements

Reconciliation of net cash flows from operating activities

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Net income	10	1,821	629	2,690
Bank interest	(30)	(71)	(27)	(67)
Depreciation and amortisation charge	480	456	206	258
(Gain)/loss on disposal of fixed assets	(7)	(7)	-	(5)
(Increase)/decrease in stocks	(252)	430	122	535
(Increase)/decrease in debtors	(357)	(507)	(393)	(523)
(Decrease)/increase in creditors/accruals	567	(382)	(109)	(276)
Net cash provided by operating activities	411	1,740	428	2,612



Notes to the financial statements

for the year ended 31 December 2021

1. General information

MMI is a charity incorporated in Scotland and a company limited by guarantee. The registered address is detailed on page 1.

MMI meets the definition of a public benefit entity under FRS 102.

2. Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charity Accounts (Scotland) Regulations 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

3. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

3.1 Basis of preparation

The financial statements have been prepared on the going concern assumption and accruals concept and provide information that is relevant, reliable, comparable and understandable.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

3.2 Basis of consolidation

The financial statements consolidate the results of the organisation on a line-by-line basis using the acquisition method. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

The charity consists of MMI, a UK registered company, plus its branches in Bosnia-Herzegovina and Kenya. The group comprises the charity plus its subsidiaries Mary's Meals Liberia, Scottish International Relief Malawi and Mary's Meals Zambia.

Mary's Meals Liberia, Scottish International Relief Malawi and Mary's Meals Zambia: These entities are closely associated with MMI and implement its projects in Liberia, Malawi and Zambia respectively.

In accordance with best practice, the financial statements of Mary's Meals Liberia, Scottish International Relief Malawi and Mary's Meals Zambia have been consolidated in the group financial statements. This is based on the guidelines in the Statement of Recommended Practice for charities that, where there is dominant influence due to control, the financial statements should be consolidated. Specifically, MMI appoints senior staff, sets budget and longer-term financial strategy, defines strategic objectives, provides the framework (school feeding model) within which they operate and transfers cash to enable their operations.

None of the Mary's Meals National Affiliates are controlled or consolidated by MMI.

3.3 Going concern

The organisation's activities and future plans are set out in the trustees' annual report. The organisation has considerable financial resources and a wide and stable fundraising base in place across the Mary's Meals network. As a consequence, the trustees believe that the organisation is well placed to manage its business risks successfully despite the current uncertain economic outlook, conflict in Ukraine and the global consequences of Covid-19. A high-level financial modelling exercise has been undertaken to demonstrate and give reassurance that the level of reserves is sufficient to sustain operations for the foreseeable future and for at least the next 12 months. Thus, the going concern basis of accounting continues to be adopted in preparing the annual financial statements.

3.4 Income

All income is included in the statement of financial activities (SoFA) when the charity is entitled to the income, it is probable the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations are included in full in the SoFA when receivable. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Income from grants is recognised when the Group has entitlement to the funds, performance conditions attached to the grants have been met, it is probable that the income will be received and can be measured reliably.

Income that the Group is entitled to but has not yet received is included as accrued income.

Bank interest is included in the year in which it is receivable.

3.5 Expenditure

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to pay. Any costs directly attributable to specific categories have been included in those cost categories in the SoFA. Other costs, which are attributable to more than one activity, are apportioned across categories on the basis of an estimate of the proportion attributable.

Costs are allocated on a transactional basis and are assigned on an activity or role basis, with each activity allocated to a particular function. General office expenditure, such as property costs and office services are split on the basis of headcount. Governance costs are apportioned over each core activity on a proportionate expenditure basis.

Costs of raising funds include the apportioned costs associated with attracting donations and legacies.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Governance costs are those incurred directly in connection with compliance with constitutional and statutory requirements, together with a proportion of salary costs relating solely to the strategic management of the charity.

3.6 Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Corporation Tax Act 2010. The subsidiaries that form part of the group also fall within exemptions provided for in the relevant taxation laws in each country. Accordingly, there is no taxation charge in these financial statements.

3.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life. Depreciation rates are as follows:

Plant and machinery - 15% - 33% straight-line

Fixtures, fittings and equipmen - 5% - 33% straight-line

Motor vehicles-25% - 33% straight-line

Computer equipment - 25% - 33% straight-line

3.8 Intangible assets and amortisation

Intangible fixed assets are stated at cost less accumulated amortisation.

Amortisation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life. Amortisation rates are as follows:

Software development costs - 14% straight-line

This rate reflects a common approach to technology assets of this type and has been confirmed by the MMI project team as appropriate for our particular circumstances.

Software development costs are capitalised only after the technical and financial feasibility of the asset for use is established.

3.9 Stocks

Stocks are valued at the lower of cost or net realisable value.

3.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Notes to the financial statements
for the year ended 31 December 2021 (continued)**

3.10 Financial instruments (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

3.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation. Finance charges are taken to the SoFA. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are taken to the SoFA on a straight-line basis over the lease term.

3.12 Defined contribution pension schemes

The charity has in place a group pension scheme to make available pension provision to all eligible employees in the UK who have been continuously employed for 3 months. Contributions in respect of the company's defined contribution pension scheme are charged to the income and expenditure account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end. Contributions are allocated across activities based on a percentage split of an employee's contribution to said activities.

3.13 Foreign Currencies

Transactions in foreign currencies are recorded at an appropriate forecasted rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the spot rate prevailing at the balance sheet date. Foreign branches and subsidiaries are consolidated by converting income and expenditure at an average rate for the year, with assets and liabilities being converted at the spot rate prevailing at the balance sheet date. All differences are taken to the SoFA.

3.14 Value of donated goods

All donated goods that the charity sends abroad are evaluated to establish how it can maximise the value of the gift, except where appeals are made specifically for items to send overseas i.e. school backpacks.

A wide variety of goods is donated to the charity and sent overseas. In placing a value on these items, the following factors are taken into account:

- the purchase price or market value for new/unused items;
- the price of an equivalent substitute in the recipient area;
- the income which could be generated if the goods were sold in the UK; and
- the depreciation of second-hand goods, or value added through reconditioning or checking by volunteers.

3.15 Transfers between funds and reserves

Transfers from unrestricted to restricted funds enable MMI to continue to fund projects furthering its charitable activities, in different countries, using donations to the general fund. Restricted funds are held for each country where MMI performs its charitable activities.

There is a designated fund held within unrestricted funds to cover Life Assurance for non-UK employees and a designated retranslation reserve held to account for currency gains and losses realised on consolidated reserves. Both are detailed in note 21.

3.16 Critical accounting judgements and key sources of estimation uncertainty

In the application of MMI's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

4. Comparative consolidated statement of financial activities

		Unrestricted funds £'000	Restricted funds £'000	2020 Total £'000
	Note			
Income from:				
Donations	6	20,473	8,407	28,880
Other		108	-	108
Total income		20,581	8,407	28,988
Expenditure on:				
Raising funds	7	236	-	236
Charitable activities	8, 9	18,583	8,348	26,931
Total expenditure		18,819	8,348	27,167
Net (expenditure)/income for the year	11	1,762	59	1,821
Other recognised (losses)/gains:				
Currency (losses)/gains		527	-	527
Net movement in funds		2,289	59	2,348
Reconciliation of funds				
Total funds brought forward		16,561	142	16,703
Net movement in funds for the year		2,289	59	2,348
Total funds carried forward	20-22	18,850	201	19,051

5. Comparative charity statement of financial activities

	Notes	Unrestricted funds £'000	Restricted funds £'000	2020 Total £'000
Income from:				
Donations	6	20,430	8,407	28,837
Other		85	-	85
Total income		20,515	8,407	28,922
Expenditure on:				
Raising funds	7	236	-	236
Charitable activities	8, 9	17,648	8,348	25,996
Total expenditure		17,884	8,348	26,232
Net (expenditure)/income for the year	11	2,631	59	2,690
Other recognised (losses)/gains:				
Currency (losses)/gains		289	-	289
Net movement in funds		2,920	59	2,979
Reconciliation of funds				
Total funds brought forward		15,714	142	15,856
Net movement in funds for the year		2,920	59	2,979
Transfer to group		(912)	-	(912)
Total funds carried forward	20-22	17,722	201	17,923

6. Donations

Summary financial performance

Donations	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2020 Total £'000
Benin	-	79	79	-	53	53
Book Strategy	-	1	1	-	12	12
Ecuador	-	10	10	-	6	6
Ethiopia	-	1,373	1,373	-	334	334
Haiti	-	362	362	-	254	254
India	-	222	222	-	96	96
Kenya	-	478	478	-	694	694
Lebanon	-	2	2	-	-	-
Liberia	-	1,316	1,316	-	878	878
Madagascar	-	53	53	-	169	169
Malawi	-	3,831	3,831	-	3,205	3,205
Global Feeding	22,973	-	22,973	19,842	-	19,842
MMI Growth Plan	-	414	414	-	419	419
Romania Houses	-	14	14	-	13	13
South Sudan	-	168	168	-	370	370
Syria	-	2	2	-	7	7
Thailand	-	4	4	-	-	-
Uganda	-	5	5	-	2	2
Zambia	-	1,294	1,294	-	1,320	1,320
Zimbabwe	-	-	-	-	133	133
Total Charity Donations	22,973	9,628	32,601	19,842	7,965	27,807
Grants	-	461	461	-	442	442
Value of Donated Aid	418	-	418	588	-	588
Total Charity	23,391	10,089	33,480	20,430	8,407	28,837
Malawi	-	-	-	9	-	9
Liberia	43	-	43	-	-	-
Grants	-	-	-	-	-	-
Value of Donated Aid	150	-	150	34	-	34
Total Group	23,584	10,089	33,673	20,473	8,407	28,880

6. Donations (continued)

Analysis of donations (excluding grants and donated aid) by geography of donor

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Australia	45	27	45	27
Austria	1,890	1,479	1,890	1,479
Belgium	52	82	52	82
Bosnia-Herzegovina	126	72	126	72
Canada	577	455	577	455
Croatia	917	882	917	882
Czech Republic	890	783	890	783
France	79	86	79	86
Germany	3,014	2,011	3,014	2,011
Ireland	1,586	1,051	1,586	1,051
Italy	291	180	291	180
Liberia	43	-	-	-
Malawi	-	9	-	-
Netherlands	91	164	91	164
Poland	68	56	68	56
Portugal	13	11	13	11
Slovakia	542	248	542	248
Slovenia	66	34	66	34
Spain	264	640	264	640
Switzerland	378	318	378	318
UK	15,036	13,308	15,036	13,308
USA	6,213	5,605	6,213	5,605
Other	463	315	463	315
Total	32,644	27,816	32,601	27,807

7. Costs of raising funds

Group and Charity	2021 Total £'000	2020 Total £'000
Employee costs	194	173
Office services	53	50
Transport and travel	-	1
Depreciation and amortisation	13	12
Total	260	236

Costs of raising funds include the apportioned costs associated with attracting donations. The independent National Affiliates who donate to the group are responsible for their own fundraising.

8. Charitable activities – by fund type

Group	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2020 Total £'000
Mary's Meals feeding	20,573	9,583	30,156	14,858	8,249	23,107
Romania Houses	62	14	76	64	13	77
Oscar Romero School	300	-	300	272	-	272
Raising awareness	675	29	704	600	29	629
Network support	1,814	48	1,862	1,795	57	1,852
Backpacks and shipped aid	354	-	354	994	-	994
Total	23,778	9,674	33,452	18,583	8,348	26,931

Charity	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2020 Total £'000
Mary's Meals feeding	19,978	9,583	29,561	14,444	8,249	22,693
Romania Houses	62	14	76	64	13	77
Oscar Romero School	-	-	-	157	-	157
Raising awareness	675	29	704	600	29	629
Network support	1,814	48	1,862	1,795	57	1,852
Backpacks and shipped aid	418	-	418	588	-	588
Total	22,947	9,674	32,621	17,648	8,348	25,996

The Oscar Romero School forms part of Mary's Meals Liberia which became part of the Group from 1 September 2020.

9. Charitable activities – by activity

Group	Activities undertaken directly £'000	Activities through partners & affiliates £'000	Support costs £'000	2021 Total £'000	Activities undertaken directly £'000	Activities through partners & affiliates £'000	Support costs £'000	2020 Total £'000
Mary's Meals feeding	17,705	10,475	1,976	30,156	15,336	6,087	1,684	23,107
Romania Houses	-	76	-	76	-	77	-	77
Oscar Romero School	300	-	-	300	272	-	-	272
Raising awareness	55	207	442	704	27	241	361	629
Network support	-	-	1,862	1,862	-	-	1,852	1,852
Backpacks and shipped aid	354	-	-	354	994	-	-	994
Total	18,414	10,758	4,280	33,452	16,629	6,405	3,897	26,931

Charity	Activities undertaken directly £'000	Activities through partners & affiliates £'000	Support costs £'000	2021 Total £'000	Activities undertaken directly £'000	Activities through partners & affiliates £'000	Support costs £'000	2020 Total £'000
Mary's Meals feeding	17,135	10,475	1,951	29,561	14,938	6,087	1,668	22,693
Romania Houses	-	76	-	76	-	77	-	77
Oscar Romero School	-	-	-	-	157	-	-	157
Raising awareness	55	207	442	704	27	241	361	629
Network support	-	-	1,862	1,862	-	-	1,852	1,852
Backpacks and shipped aid	418	-	-	418	588	-	-	588
Total	17,608	10,758	4,255	32,621	15,710	6,405	3,881	25,996

Support costs are allocated to the core mission of the group – running of the Mary's Meals school feeding programmes, raising awareness of poverty and supporting the global network. Note 10 details the basis of allocation.

10. Analysis of support costs

Group and Charity	Employee costs £'000	Property costs £'000	Office services £'000	Transport and travel £'000	Depreciation £'000	Governance £'000	2021 Total £'000
Mary's Meals feeding	1,510	56	253	1	19	112	1,951
Raising awareness	293	-	118	1	1	29	442
Network support	1,197	57	384	-	132	92	1,862
Total Charity	3,000	113	755	2	152	233	4,255
Mary's Meals feeding	-	-	-	-	-	25	25
Total Group	3,000	113	755	2	152	258	4,280

Group and Charity	Employee costs £'000	Property costs £'000	Office services £'000	Transport and travel £'000	Depreciation £'000	Governance £'000	2020 Total £'000
Mary's Meals feeding	1,255	53	240	17	12	91	1,668
Raising awareness	227	-	106	3	-	25	361
Network support	1,196	49	391	7	123	86	1,852
Total Charity	2,678	102	737	27	135	202	3,881
Mary's Meals feeding	-	-	-	-	-	16	16
Total Group	2,678	102	737	27	135	218	3,897

Costs are allocated on a transactional basis and are assigned on an activity or role basis, with each activity allocated to a particular function. General office expenditure, such as property costs and office services, are split on the basis of headcount. Governance costs are apportioned over each core activity on a proportionate expenditure basis.

11. Net (income)/expenditure for the year is stated after charging:

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Depreciation and other amounts written off tangible fixed assets	338	335	64	137
Amortisation of intangible fixed assets	142	121	142	121
(Gain) on disposal of fixed assets	(6)	(7)	-	(5)
Auditor remuneration	69	59	44	43
Operating lease charges	145	145	101	87

12. Employees

Employment costs	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Wages and salaries	6,791	6,077	4,331	4,515
Social security costs	404	364	328	331
Pension costs	353	308	246	205
Total	7,548	6,749	4,905	5,051

Number of employees monthly average	Group 2021 Number	Group 2020 Number	Charity 2021 Number	Charity 2020 Number
Mary's Meals feeding	562	520	109	243
Raising funds	5	5	5	5
Raising awareness	16	14	16	14
Network support	36	31	36	31
Governance	2	2	2	2
Total	621	572	168	295

The tables above represent employed and contracted staff. They do not include the thousands of volunteers who give their time throughout the network. Their roles vary from spreading the word of the Mary's Meals mission in the UK and fundraising affiliate countries to cooking and serving meals to children in programme countries.

The reduction in the number of charity employees reflects Liberia ceasing to be a branch in September 2021.

The number of group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60k was:

	2021 Number	2020 Number
£60k - £70k	3	1

Key management compensation

The key management personnel of the charity and group comprise the 10 (2020: 7) individuals who were part of the SLT over the course of the year. The total remuneration (including pension contributions and employers' national insurance) of key management personnel totalled £542k (2020: £493k).

No trustees received remuneration for services from the charity or group in the year ended 31 December 2021 (2020: £Nil). The charity met £Nil (2020: £Nil) worth of travel and accommodation expenses on behalf of trustees.

13. Pension costs

The organisation operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. MMI contributes 8% of employees' salary. Employers are required under the Act to remit aggregated contributions to any of the licensed Pension Administrators. The pension charge represents contributions due from the company and amounted to £214k (2020: £185k). At 31 December 2021, £Nil (2020: £Nil) was accrued in the financial statements.

Scottish International Relief Malawi contributes to a mandatory and defined contribution Pension scheme on behalf of its local employees prescribed by the Government of Malawi under the Pension Act of 2010 which came into effect on 1 June 2011.

Mary's Meals Zambia contributes to NAPSA for its eligible employees as provided for by law. Membership is compulsory and monthly contributions by both employer and employees are made. The employer's contribution is charged to the income statement in the period in which it arises.

Mary's Meals Liberia contributes to NASSCORP for its eligible employees as required by law. Monthly contributions are made by both employer and employees and is charged to the income statement in the period in which it arises.

14. Intangible fixed assets

Group and Charity	Software development costs £'000
Cost	
At 1 January 2021	851
Additions	476
At 31 December 2021	1,327
Accumulated amortisation	
At 1 January 2021	221
Charge for the year	142
At 31 December 2021	363
Net book value	
At 31 December 2021	964
At 31 December 2020	630

15. Tangible fixed assets

Group	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Cost					
At 1 January 2021	25	129	1,373	73	1,600
Exchange variance	-	(4)	(23)	(1)	(28)
Additions	-	87	243	82	412
Disposals	-	-	(6)	(4)	(10)
At 31 December 2021	25	212	1,587	150	1,974
Accumulated depreciation					
At 1 January 2021	16	36	816	48	916
Exchange variance	(1)	(1)	(19)	-	(21)
Charge for the year	4	35	269	30	338
Released on disposals	-	-	(5)	(4)	(9)
At 31 December 2021	19	70	1,061	74	1,224
Net book value					
At 31 December 2021	6	142	526	76	750
At 31 December 2020	9	93	557	25	684
Charity					
Charity	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Cost					
At 1 January 2021	18	63	165	67	313
Exchange variance	-	(3)	(4)	-	(7)
Additions	-	2	14	22	38
Disposals	-	-	-	(4)	(4)
At 31 December 2021	18	62	175	85	340
Accumulated depreciation					
At 1 January 2021	14	15	132	45	206
Exchange variance	-	(1)	(2)	-	(3)
Charge for the year	2	8	33	21	64
Released on disposals	-	-	-	(4)	(4)
At 31 December 2021	16	22	163	62	263
Net book value					
At 31 December 2021	2	40	12	23	77
At 31 December 2020	4	48	33	22	107

16. Stock

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Backpacks	455	249	-	-
Food	440	432	1	123
Non-food items	266	228	-	-
Total	1,161	909	1	123

17. Debtors

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Prepayments	195	292	149	209
Other debtors	34	7	33	7
Accrued income	3,176	2,749	3,176	2,749
Total	3,405	3,048	3,358	2,965

18. Creditors: amounts falling due within one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	820	253	200	216
Other creditors	3	13	3	13
Accruals	802	729	143	155
Taxation and social security	59	119	4	72
Finance lease	-	3	-	3
Total	1,684	1,117	350	459

19. Operating lease commitments

The group and charity have the following future minimum lease payment commitments under non-cancellable operating leases:

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Within one year	146	144	96	95
Between one and five years	390	423	206	287
In more than five years	186	-	-	-
Total	722	567	302	382

20. Analysis of net assets between funds

	Group			Charity		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	1,714	-	1,714	1,041	-	1,041
Current assets	19,028	616	19,644	17,212	616	17,828
Current liabilities	(1,684)	-	(1,684)	(350)	-	(350)
At 31 December 2021	19,058	616	19,674	17,903	616	18,519

	Group			Charity		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	1,314	-	1,314	737	-	737
Current assets	18,653	201	18,854	17,444	201	17,645
Current liabilities	(1,117)	-	(1,117)	(459)	-	(459)
At 31 December 2020	18,850	201	19,051	17,722	201	17,923

21. Unrestricted and restricted funds

	At 1 Jan 2021 £'000	Income £'000	Expenditure £'000	Currency gains/ (losses) £'000	Transfer to group £'000	At 31 Dec 2021 £'000
Unrestricted funds:						
General	17,413	23,421	(23,207)	36	-	17,663
Designated fund	150	-	-	-	-	150
Retranslation reserve	159	-	-	(69)	-	90
Unrestricted funds total	17,722	23,421	(23,207)	(33)	-	17,903
Restricted funds	201	10,089	(9,674)	-	-	616
Total Charity funds	17,923	33,510	(32,881)	(33)	-	18,519
Unrestricted funds:						
General	668	212	(831)	16	-	65
Retranslation reserve	460	-	-	630	-	1,090
	1,128	212	(831)	646	-	1,155
Total Group funds	19,051	33,722	(33,712)	613	-	19,674

	At 1 Jan 2020 £'000	Income £'000	Expenditure £'000	Currency gains/ (losses) £'000	Transfer to group £'000	At 31 Dec 2020 £'000
Unrestricted funds:						
General	15,564	20,515	(17,884)	130	(912)	17,413
Designated fund	150	-	-	-	-	150
Retranslation reserve	-	-	-	159	-	159
Unrestricted funds total	15,714	20,515	(17,884)	289	(912)	17,722
Restricted funds	142	8,407	(8,348)	-	-	201
Total Charity funds	15,856	28,922	(26,232)	289	(912)	17,923
Unrestricted funds:						
General	575	66	935	50	912	668
Retranslation reserve	272	-	-	188	-	460
	847	66	935	238	912	1,128
Total Group funds	16,703	28,988	(27,167)	527	-	19,051

The transfer to group reflects the transfer of Mary's Meals Liberia from a branch to a subsidiary on 31 August 2020. This is explained further in note 3.2 within our accounting policies.

22. Restricted funds

Group and Charity	At 1 January 2021 £'000	Income £'000	Expenditure £'000	At 31 December 2021 £'000
Benin	-	79	(79)	-
Book Strategy	7	1	(8)	-
Ecuador	-	10	(10)	-
Ethiopia	-	1,373	(939)	434
Haiti	-	362	(362)	-
India	50	222	(272)	-
Kenya	-	478	(478)	-
Lebanon	-	2	(2)	-
Liberia	-	1,316	(1,316)	-
Madagascar	-	53	(53)	-
Malawi	-	3,831	(3,831)	-
MMI Growth Plan	90	414	(322)	182
Romania Houses	-	14	(14)	-
South Sudan	-	168	(168)	-
Syria	-	2	(2)	-
Thailand	-	4	(4)	-
Uganda	-	5	(5)	-
Zambia	-	1,294	(1,294)	-
Zimbabwe	54	461	(515)	-
Total	201	10,089	(9,674)	616

The restricted funds above represent the geographical locations and purpose to which funds are restricted, based on donors' wishes. Restricted funds are used at the earliest opportunity.

22. Restricted funds (continued)

Group and Charity	At 1 January 2020 £'000	Income £'000	Expenditure £'000	At 31 December 2020 £'000
Benin	-	53	(53)	-
Book Strategy	-	12	(5)	7
Ecuador	-	6	(6)	-
Ethiopia	-	334	(334)	-
Haiti	-	254	(254)	-
India	-	96	(46)	50
Kenya	-	694	(694)	-
Liberia	-	878	(878)	-
Madagascar	-	169	(169)	-
Malawi	-	3,205	(3,205)	-
MMI Growth Plan	142	419	(471)	90
Romania Houses	-	13	(13)	-
South Sudan	-	370	(370)	-
Syria	-	7	(7)	-
Uganda	-	2	(2)	-
Zambia	-	1,320	(1,320)	-
Zimbabwe	-	575	(521)	54
Total	142	8,407	(8,348)	201

23. Group structure

The charity consists of MMI, a UK-registered charitable company, including its branches in Bosnia-Herzegovina and Kenya. The group comprises the charity plus its charitable subsidiaries Scottish International Relief Malawi, Mary's Meals Zambia and Mary's Meals Liberia.

Details of the subsidiaries are included below.

	Mary's Meals Liberia	Scottish International Relief Malawi	Mary's Meals Zambia
Company number	051499549		122443
Charity registration number		NGO/R/07/18	
Registered office	Mary's Meals Liberia Tubmanburg Bomi County Liberia	Blantyre East 169 Salim Armour Road Ginnery Corner Blantyre, Malawi PO Box E386 Post Dot Net	Base Office Park Plot 35184 Alick Nkhata Avenue PO Box 50794 Lusaka, Zambia
Assets	£782k	£1,142k	£469k
Liabilities	£258k	£1,493k	£27k
Net assets	£524k	£(351k)	£442k
Income for the year	£5,700k	£7,252k	£3,577k
Expenditure for the year	£5,176k	£7,491k	£3,448k
(Deficit)/surplus for the year	£524k	£(239k)	£129k

24. Related party transactions

During the year, MMI transferred Scottish International Relief Malawi £6,197k (2020: £7,194k) to enable their operations and donated £418k (2020: £588k) worth of backpacks. Scottish International Relief Malawi is a subsidiary of MMI.

During the year MMI transferred Mary's Meals Zambia £3,647k (2020: £2,534k) to enable their operations. Mary's Meals Zambia is a subsidiary of MMI.

During the year MMI transferred Mary's Meals Liberia £3,777k (2020: £1,068k) to enable their operations. Mary's Meals Liberia is a subsidiary of MMI. Note this 2020 comparative includes the transfers relating to the subsidiary in Liberia, from 1 September onwards.

25. Company limited by guarantee

MMI is a company limited by guarantee and accordingly does not have any share capital.

All 33 members of the company have undertaken to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.



Food Changes the Story

Mary's Meals International Organisation
Craig Lodge, Dalmally, Argyll, Scotland, PA33 1AR
Charity number: SC045223 Company number: SC488380

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